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Trends, Prospects, and Strategies for Black Economic Progress

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Andrew F. Brimmer

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FOREWORD

As we approach the closing years of the 1980s, it is clear that, for better or worse, the focus of the struggle for black equality is shifting from traditional civil rights issues to economic development.

And although people often debate how best to remedy some of the black community's most persistent economic problems (for example, high unemployment and the narrowing, but still wide, income gap between blacks and whites), few people have attempted a dispassionate analysis of the broad scope of public and private economic options facing blacks. Too often, the debate is polarized by arguments either for increasing governmental assistance or for almost totally eliminating it.

In this study, noted economist Andrew Brimmer strikes a much needed balance. First, he scrutinizes the trends for blacks (and whites) regarding income and participation in the labor market. Then, instead of painting a picture in pure black and white, he suggests a blending of strategies, some calling for less reliance on the federal government, others requiring a strengthening of the nation's wavering commitment to affirmative action.

Given the reality that both public assistance and the number of public sector jobs are shrinking, Brimmer urges blacks to assert their economic independence by acquiring marketable skills and seeking jobs in the private sector. At the same time, he stresses the need for efforts within the business community to eliminate discriminatory obstacles and emphasizes that the federal government still has a crucial role to play, particularly in the areas of education and youth unemployment.

The Joint Center wishes to thank Dr. Brimmer for preparing this study. We are also grateful for the editorial and production work of JCPS Director of Communications J. Terry Edmonds, Senior Editor Jane Lewin, and Editorial Assistant Constance Toliver.

Eddie N. Williams
November 1985
Washington, D.C.

1. INTRODUCTION

Over the last two years, black Americans have resumed the moderate progress they were making before two severe recessions earlier in the decade set them back. The relative improvement in blacks' economic position is evident in expanding employment and rising income--especially among those blacks with skills that enable them to get and hold jobs in a labor market where competition is becoming ever more vigorous.

In contrast, blacks who are truly disadvantaged--increasingly, because of a lack of preparation rather than racial discrimination--are falling further behind. In fact, the schism between blacks who are at the bottom of the income scale and those who are better off has even widened.

If blacks are to sustain and quicken their renewed economic progress, they will have to overcome a number of handicaps, including some that are self-imposed. Among the latter are the very high rates at which young black men drop out from the labor force and the very high rates at which unmarried black teenage girls bear children. Each year, those births add to the dependency that plagues millions of blacks who live so close to the margins of the economy.

But some changes in federal government policies are also necessary if the economic inequality from which blacks continue to suffer is to be reduced more quickly. These changes include

--the adoption of a two-tier minimum wage, which would help ease the excessively high levels of unemployment among black youth;

--a vigorous campaign of affirmative action to foster job opportunities and occupational upgrading in the private sector; and

--a substantial program of federal aid for college education, which until now has contributed much to black economic progress.

2. BLACKS IN THE LABOR MARKET

Despite strong claims to the contrary, blacks have shared substantially in the expansion of the American economy since 1982. Blacks are asserting themselves more in the labor market; they have gotten a somewhat larger proportion of the nation's jobs; and black unemployment has decreased somewhat.

Changes in the Black Labor Force

The relative improvement of the last two years represents a marked turnaround from the experience blacks had during the two recessions that plagued the economy in 1980 and 1981-1982. Before then, at the peak of economic activity in 1979, blacks had held 10.1 percent of all jobs and had accounted for 20.8 percent of total unemployment (see Table A-1 on page 27). But over the next three years of stagnation and recession, the black labor force rose by 7.5 percent, compared with 3.7 percent for whites and 4.4 percent overall. The number of employed blacks fell by 291,000--one-third of the net loss of jobs in the nation at large. Between December 1979 and December 1982, the rate of unemployment among blacks rose from 12.2 percent to 20.9 percent. The parallel increase in the white unemployment rate was from 5.2 percent to 9.6 percent, and for the total civilian labor force the unemployment rate increased from 6.0 percent to 10.7 percent.[1] Thus, blacks bore a disproportionately large share of the overall loss of jobs caused by the recessions of 1980 and 1981-1982.

Following the end of the most recent recession in December 1982, the American economy rebounded vigorously. Over the next two years, that growth stimulated a strong increase (3.2 percent) in the total civilian labor force (see Table A-4 on page 30). The increase among blacks was even greater (6.4 percent), raising the black civilian labor force to 12.3 million (see Table A-3 on page 29). At that level, blacks constituted 10.8 percent of the total civilian labor force at the end of 1984, compared with 10.4 percent two years earlier (see Table A-2 on page 28).

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[1]The civilian labor force consists of all persons 16 years of age and over who are employed or looking for work.

The increase in the black civilian labor force reflects the degree to which the labor force participation rate among blacks has increased over the last two years.[2] The black participation rate has been--and remains--below that for whites and other groups, but the gap between blacks and whites did narrow slightly over the last two years.

For blacks as a group, the participation rate rose from 61.7 percent at the end of 1982 to 63.1 percent in December 1984--a gain of 1.4 percentage points. The corresponding figures for whites were 64.4 percent and 64.8 percent--a gain of only 0.4 percentage point. Among blacks, the increased participation of black women in the labor force was particularly noticeable--an increase of 2.2 percentage points (to 56.5 percent). The gain for black men was much more moderate (0.3 percentage point, to 71.2 percent). In contrast, the participation rate for white women rose by 0.8 percentage point (to 53.5 percent), and the rate for white men remained unchanged (at 77.2 percent).

The faster expansion in the black labor force reflects the higher growth rate of the black population as well as a greater determination among blacks to search for jobs. The latter is especially true among black women. At the end of 1984, the number of black women in the civilian labor force (5,703,000) nearly equaled the number of black men (5,762,000). This was a male-female ratio of 1.01. In sharp contrast, reflecting the much lower participation rate of white women, the male-female ratio for whites was 1.34.

Gains in Black Employment

At the end of 1984, blacks held 10.5 million jobs--9.8 percent of total employment. At the trough of the last recession, in December 1982, 9.2 million blacks were at work, accounting for 9.2 percent of total employment. So over the last two years of economic expansion, black employment climbed by 1.3 million. That represented 18.1 percent of the net increase of 7.2 million in civilian employment during the same period. Thus, whereas at the bottom of the last recession blacks held just under one in every ten jobs, during the last two years they received just

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[2]The labor force participation rate is defined as the percentage of the noninstitutionalized population 16 years of age and over that is in the civilian labor force.

under one in six of the new jobs created by the strong pace of economic growth.

The jobs held by blacks were almost equally divided between men and women at the end of 1984: 4,998,000 for men and 4,977,000 for women. This was a male-female employment ratio of 1.004; the corresponding ratio for whites was 1.34.

But despite the relative improvement in black employment over the last two years, the job deficit blacks face remains substantial. For example, at the end of 1984, blacks represented 10.8 percent of the civilian labor force but held only 10,462,000 jobs--equal to 9.8 percent of the total. If parity had prevailed, blacks would have had an additional 1,015,000 jobs. In other words, the level of black employment would have increased by 9.7 percent.

Reduction in Black Unemployment

The strong expansion of the economy during the last two years not only created job opportunities for new entrants into the labor force, but it also cut deeply into the backlog of unemployment, including black unemployment.

At the end of 1984, 8.1 million persons were unemployed, a decrease of 3.7 million from the level recorded in December 1982. Among black workers, unemployment at the end of 1984 amounted to 1.8 million, compared with 2.4 million two years earlier. This reduction of 568,000 in black joblessness represented 15.4 percent of the decline in total unemployment. Nevertheless, blacks still bore a disproportionate share of the burden of unemployment. Although constituting 10.8 percent of the civilian labor force, they represented 23.5 percent of all persons unemployed at the end of 1984.

The overall civilian unemployment rate declined from 10.7 percent at the end of 1982 to 7.2 percent at the end of 1984. Over the same period, the unemployment rate for whites decreased from 9.6 percent to 6.2 percent; for blacks the reduction was from 20.9 percent to 15.0 percent. These figures suggest that, although economic expansion considerably reduced joblessness for both blacks and whites, the relative improvement for blacks was not quite as dramatic as it was for whites. Accordingly, the black-white unemployment ratio was 2.42 at the end of 1984 compared with 2.18 two years earlier.

Economic expansion also produced modest improvement in the labor market postition of black teenagers. In December 1984,

841,000 black teenagers (ages 16-19) were in the civilian labor force, and they accounted for 10.7 percent of all the workers in that age group. Roughly 487,000 black teenagers had jobs, and 345,000 were unemployed. Thus, the unemployment rate for black teenagers was 42.1 percent, compared with 15.9 percent for their white counterparts. At the end of 1982, the jobless rate had been 48.3 percent for black teenagers and 21.5 percent for white teenagers.

Over the last two years, the number of white teenagers in the civilian labor force decreased by 457,000, since the last members of the baby-boom generation had already passed into the labor market. The pattern for blacks was different, however: the number of black teenagers in the civilian labor force rose by 5,000. As a result, their share of the total teenage labor force edged up from 10.0 percent to 10.7 percent between 1982 and 1984.

The employment figures available for February 1985 indicate that the unemployment rate for blacks as a whole rose by 1.4 percentage points, to 16.5 percent; for black youth (16-19) the increase was 1.0 percent; it was 1.7 percent for black men, and 1.1 percent for black women. In the same month, the size of the black labor force shrank, employment fell, and the level of unemployment rose. These reported increases in black unemployment rates contrasted markedly with the reductions in unemployment that occurred among whites: total white unemployment decreased by 0.2 percent, among white youth the decrease was 0.6 percent, among white men it was 0.1 percent, and among white women it was 0.3 percent.

This sharp rise in the rate of black unemployment caused some observers to worry about the prospect of a new upward trend in black joblessness. Although such a possibility cannot be ruled out, neither can it be substantiated on the basis of one month's data. Since for no other major group did the labor market situation deteriorate across the board and since the economy continues to expand moderately, a significant rise in black joblessness does not seem likely over the near term.

3. TRENDS IN BLACK INCOME

The deterioration and recovery in black employment were paralleled by the behavior of black money income. In 1979, black money income was $111.8 billion, or 7.2 percent of the total of $1,558.7 billion (see Table 1). In that year, the black population

Table 1. Money Income, by Race, 1979-1985 (amounts in billions of dollars)

Year	Total	Whites		Blacks		Other Races	
		Amount	Percent	Amount	Percent	Amount	Percent
1979	$1,558.7	$1,420.8	91.1	$111.8	7.2	$26.0	1.7
1980	1,737.3	1,581.1	91.0	124.9	7.2	31.3	1.8
1981	1,927.2	1,747.7	90.7	137.9	7.2	41.6	2.2
1982	2,043.0	1,854.5	90.8	140.5	6.9	48.0	2.3
1983	2,201.2	1,991.6	90.5	158.9	7.2	50.7	2.3
1984	2,391.7	2,160.2	90.3	171.6	7.2	59.8	2.5
1985 (est.)	2,566.7	2,315.2	90.2	187.4	7.3	64.2	2.5

Source: Calculations by Brimmer & Company, Inc. Data for 1979-1984 from U.S. Department of Commerce, Bureau of the Census. Estimates for 1985 by Brimmer & Company, Inc.

stood at 26.3 million, or 11.7 percent of the resident population (224.6 million) of the United States. Thus, using population share as a benchmark, blacks faced an income gap of 4.5 percentage points. This translated into a black income deficit of $70.6 billion. If blacks' share of the civilan labor force (10.1 percent) had been used as the benchmark, the shortfall would have been $45.6 billion; had the benchmark been the black share of employment (9.5 percent), the income deficit would have been $36.6 billion.

The subsequent two years of stagnation and recession had a particularly adverse impact on black income. Measured in current dollars, total money income rose by 31.1 percent between 1979 and 1982. The gain for whites was 30.5 percent, but for blacks it was only 25.7 percent. These increases lifted total money income in 1982 to $2,043.0 billion; for whites the level was $1,854.4 billion, and for blacks it was $140.5 billion. Consequently, blacks' share of the total eroded to 6.9 percent.

Income per capita provides a better measure of the relative deterioration of blacks' income position between 1979 and 1982. Income per capita is derived by dividing the amount of money income by the population. As Table 2 shows, in 1979 total per capita income was $6,941. For whites, it was $7,334, and for blacks it was $4,249. Thus, the black-total and black-white ratios were 61.2 and 57.9, respectively. However, by 1982, reflecting the slower growth in income for blacks at the time their population was rapidly expanding, the black share of income per capita deteriorated noticeably. In 1982, the per capita income for the total population was $8,794; for whites, $9,345; and for blacks, $5,059. Accordingly, the black-total and black-white ratios were 57.5 and 54.1, respectively.

The country's economic expansion between 1982 and 1984 boosted black income substantially. Official figures from the U.S. Bureau of the Census reported total money income in 1983 at $2,201.2 billion. The amount for whites was $1,991.6 billion; for blacks, it was $158.9 billion. Thus, blacks' share of the total was once again 7.2 percent--the proportion it had been from 1979 to 1981. These gains in money income raised total income per capita to $9,387 in 1983. For whites, the figure was $9,964; for blacks, it was $5,632. The resulting black-total and black-white ratios were 60.0 and 56.5, respectively.

In 1984, total money income amounted to $2,391.7 billion. The corresponding amounts were $2,160.2 billion for whites and $171.6 billion for blacks. Therefore, blacks' share remained at 7.2 percent of total money income in that year. Translated into per capita terms, the estimates were as follows: total $10,148,

Table 2. Money Income Per Capita, 1979-1985 (amounts in dollars)

Year	Total Population	White Population	Black Population	Black-Ratio Total	Black-Ratio White
1979	$ 6,941	$ 7,334	$4,249	61.2	57.9
1980	7,629	8,085	4,642	60.8	57.4
1981	8,378	8,872	5,044	60.2	56.9
1982	8,794	9,345	5,059	57.5	54.1
1983	9,387	9,964	5,632	60.0	56.5
1984	10,148	10,763	6,042	59.5	56.1
1985 (est.)	10,792	11,454	6,499	60.2	56.7
Percent Change					
1979-80	9.9	10.2	9.2		
1980-81	9.8	9.7	8.7		
1981-82	5.0	5.3	0.3		
1982-83	6.7	6.6	11.1		
1983-84	8.1	8.0	7.3		
1984-85	6.3	6.4	7.6		

Source: Calculations by Brimmer & Company, Inc. Based on the money income data in Table 1 and on population figures from the U.S. Department of Commerce, Bureau of the Census.

whites $10,763, and blacks $6,042. The black-total and black-white ratios were 59.5 and 56.1, respectively. Therefore, blacks had not regained the relative per capita income position they achieved before the onset of recession in 1980.

The continuation of economic growth is expected to lead to improvement in the relative income position of blacks in 1985. Brimmer & Company estimates that total money income will rise to $2,566.7 billion. The level for whites may climb to $2,315.2 billion and that for blacks to $187.4 billion. This gain would lift blacks' share to 7.3 percent. The parallel per capita figures would be as follows: total $10,792, white $11,454, and black $6,499. The black-total and black-white ratios would be 60.2 and 56.7, respectively.

Nevertheless, the income deficit faced by the black community will grow even larger. The black population in 1985 has been estimated by the Census Bureau at 29.1 million, or 12.2 percent of the total (238.6 million). If blacks were to get 12.2 percent of total money income, they would receive $313.1 billion in 1985, or $125.7 billion more than the $187.4 billion currently estimated. If two other benchmarks were used--share of the civilian labor force or share of total employment--the income gaps would be $84.7 billion and $64.2 billion, respectively.

A more commonly used measure of income position is median family income, and by that measure the relative position of blacks deteriorated even further over the last decade--and has improved less in recent years. This benchmark is derived when the number of families is ranked by income level and divided into two equal parts; the income level at which the two halves meet is the median level. Table 3 shows trends in median family income, by race, for the years 1970-1984.

In 1984, the median income of black families was $15,432. This figure was 58.4 percent of the $26,433 reported for all families in the nation, and 55.7 percent of the $27,686 reported for whites. In 1982 (a year of deep recession), the black-total and black-white ratios were 58.0 and 55.3, respectively. Of the 14 years traced in the table, the income comparisons for blacks during those 2 years were the worst. In the early years of the 1970s (1970-1973), the black-total median income ratio averaged 62.0 and the black-white ratio averaged 60.0. But a decade later (1980-1983), the black-total ratio averaged 59.2 and the black-white ratio averaged 56.4. Thus, the relative position of blacks during the decade deteriorated by 2.8 percentage points compared with all families and by 3.6 percentage points compared with white families.

Table 3. Median Family Income, by Race, 1970-1984 (amounts in dollars)

Year	All Families	White Families	Black Families		
			Amount	Percent of Total	Percent of White
1970	$ 9,867	$10,236	$ 6,279	63.6	61.3
1971	10,285	10,672	6,440	62.6	60.3
1972	11,116	11,549	6,864	61.7	59.4
1973	12,051	12,295	7,269	60.3	59.1
1974	12,902	13,408	8,006	62.1	59.7
1975	13,719	14,268	8,779	64.0	61.5
1976	14,958	15,537	9,242	61.8	59.5
1977	16,009	16,740	9,563	59.7	57.1
1978	17,640	18,368	10,879	61.7	59.2
1979	19,587	20,439	11,574	59.1	56.6
1980	21,023	21,904	12,674	60.3	57.9
1981	22,388	23,517	13,266	59.3	56.4
1982	23,433	24,603	13,598	58.0	55.3
1983	24,580	25,757	14,506	59.0	56.4
1984	26,433	27,686	15,432	58.4	55.7

Source: Calculations by Brimmer & Company, Inc. Data from the U.S. Department of Commerce, Bureau of the Census.

The median income figures, then, show the status of black families as a whole to have weakened over time. For the most part this weakness is a reflection of the particularly unfavorable position of black families headed by single women. In 1984, there were 2,964,000 such families, constituting 43.7 percent of all black families and 29.3 percent of all female-headed families in the country. Families headed by single white women constituted 12.8 percent of all white families. The median income for black female-headed families in 1984 was $8,648, compared with $12,803 for all female-headed families and $15,134 for white female-headed families. The black-total and black-white ratios were 67.5 and 57.1, respectively.

In sharp contrast, the median income for 3,469,000 black married couples in 1984 was $23,418, compared with $29,612 for all such families and $30,058 for whites. Thus, the black-total and black-white ratios were 79.1 and 77.9, respectively. Moreover, one-fifth of all black families (1,376,000 out of 6,778,000, or 20.3 percent) contained no wage earners in 1984. The corresponding proportions were 14.7 percent for all families and 14.1 percent for whites. In black families with no wage earners, the median income was $5,277, compared with $11,377 for all such families and $12,941 for whites.

Thus, the profile of blacks' relative income position that is drawn by the median income figures is not representative. It is heavily weighted by the extremely low incomes of black female-headed families—many of which contain no wage earners at all--and it does not adequately reflect the relatively better income position achieved by black married couples, many of which include two wage earners.

4. TRENDS IN INCOME DISTRIBUTION

Although the relative income position of blacks as a group has moderately improved, the gains have not extended throughout the black community. Instead, the gap between the better-off and worse-off is getting wider. In other words, although the degree of inequality in income distribution between blacks and whites has eased somewhat, the extremes in income within the black community are even further apart.

The most widely used test of income distribution is the share of total money income before taxes received by each fifth of all families (families are grouped by size of total income and

divided into fifths). For a number of years, most recently 1984, the Census Bureau has calculated these shares for all families, for white families, and for black families. Using that benchmark, Brimmer & Company has analyzed the trends in income distribution for blacks and whites in some detail (see Table 4). Several conclusions can be drawn from this analysis.

First, during the 37-year period covered, the actual distribution of income among families remained fairly stable. However, through 1974 the share of total income received by the top 5 percent of families decreased slightly (from 17.4 percent in 1947 to 15.1 percent in 1974). Moreover, the fraction of income received by the 20 percent of families at the lower end of the distribution rose somewhat between 1964 and 1969 but receded between 1969 and 1979. This was mainly a reflection of the adverse impact of the 1973-1975 recession. The recessions of the early 1980s had a similar effect. In 1983, the share of total income received by the bottom 20 percent of families increased (to 4.7 percent), reflecting the beneficial impact of economic recovery. It remained at that fraction in 1984.

The data in Table 4 also show the comparative distribution of income among black and white families. In each of the years shown, the lowest 20 percent of black families received a smaller proportion of the total income of the black community than the lowest fifth of the white community received of the total income of the white community. Between 1969 and 1979, the share of the bottom fifth of white families declined from 5.9 percent to 4.0 percent. The corresponding decrease for blacks was from 4.8 percent to 3.3 percent. By 1984, the share of low-income whites had increased to 5.1 percent (a gain of 1.1 percentage points), but the share of low-income blacks had risen only to 3.7 percent (a gain of 0.4 percentage point).

A similar pattern prevailed for all other black families except those in the upper two-fifths of the income distribution. In the second and middle fifths of the distribution, black families received a smaller fraction of the black community's total income than their white counterparts received of the white community's total income. In contrast, those black families constituting the upper 40 percent of income recipients received a noticeably larger proportion (71.8 percent in 1984) of total black income than the similar groups of white families received of total white income (66.2 percent in 1984). The same pattern generally prevailed for the top 5 percent of families: in 1984 the top 5 percent of black families received 16.6 percent of the total, whereas the top 5 percent of white families received 15.7 percent.

Table 4. Percentage Share of Aggregate Income Before Taxes Received by Each Fifth and Top 5 Percent of Families, by Race of Head (selected years, 1947-1984)

Income Rank	1947	1954	1960	1964	1969	1974	1979	1983	1984
All Races									
Percent	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Lowest Fifth	5.1	4.5	4.8	5.1	5.6	5.4	3.8	4.7	4.7
Second Fifth	11.8	12.0	12.2	12.0	12.4	12.0	9.7	11.1	11.0
Middle Fifth	16.7	17.6	17.8	17.7	17.7	17.6	16.4	17.1	17.0
Fourth Fifth	23.2	24.0	24.0	24.0	23.7	24.1	24.8	24.4	24.4
Highest Fifth	43.3	41.9	41.3	41.2	40.6	41.0	45.3	42.7	42.9
Top 5 Percent	17.5	16.4	15.9	15.9	15.6	15.3	17.4	15.8	16.0
Whites									
Percent	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Lowest Fifth	5.5	4.9	5.2	5.5	5.9	5.8	4.0	5.2	5.1
Second Fifth	12.2	12.4	12.7	12.4	12.7	12.3	10.1	11.5	11.4
Middle Fifth	16.9	17.5	17.8	17.8	17.8	17.6	16.6	17.2	17.1
Fourth Fifth	22.8	23.8	23.7	23.8	23.5	23.8	24.6	24.2	24.1
Highest Fifth	42.6	41.4	40.7	40.5	40.1	40.5	44.7	41.9	42.2
Top 5 Percent	17.4	16.2	15.7	15.7	15.4	15.1	17.2	15.6	15.7
Blacks*									
Percent	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Lowest Fifth	4.8	3.6	3.7	4.4	4.8	4.6	3.3	3.7	3.7
Second Fifth	10.2	10.0	9.7	10.5	10.9	10.0	8.4	9.0	9.0
Middle Fifth	15.7	17.2	16.5	16.2	16.9	16.2	15.0	15.9	15.5
Fourth Fifth	23.6	25.8	25.2	24.2	24.7	25.0	25.0	25.5	24.9
Highest Fifth	45.8	43.4	44.9	44.7	42.7	44.2	48.4	45.9	46.9
Top 5 Percent	17.0	15.5	16.2	16.9	15.2	15.9	17.9	16.0	16.6

*Blacks and other races, of which blacks constitute 90 percent, through 1979. Blacks only, in 1983 and 1984.

Source: Compiled by Brimmer & Company, Inc. Data from U.S. Department of Commerce, Bureau of the Census.

This pattern of income inequality translated into sizeable differences between the average incomes of low-income blacks and higher-income blacks, compared with the differences between the average incomes of low-income whites and higher-income whites. Some of these differences can been seen in Table 5. For instance, in 1984 the 1.4 million black families constituting the lowest fifth of the distribution had a maximum income of $6,100. This figure was equal to 48.8 percent of the $12,489 reported for all low-income families and 43.7 percent of the $13,945 reported for low-income whites. Progressing up the income scale, one finds the black-total and black-white ratios converging noticeably. At the upper limit of the fourth 20 percent of families, the income for all families was $45,300; it was $46,600 for whites and $31,000 for blacks. These figures yielded black-total and black-white ratios of 68.4 and 66.5, respectively. For the top 5 percent of families, the lower income limits were as follows: total $73,230, whites $75,337, and blacks $52,830. The corresponding black-total and black-white ratios were 72.1 and 70.1, respectively.

In summary, a deep schism exists within the black community with respect to the level and distribution of income. About 20 percent of all black families have members with skills that enable them to get and hold jobs in which they earn incomes at or above the average for the nation as a whole. At the opposite end of the spectrum, another 20 percent of all black families have incomes so low that those families are stuck permanently far below the official poverty line. Moreover, the gap between the lower-income and higher-income blacks is progressively widening.

5. ALTERNATIVE STRATEGIES FOR BLACK ECONOMIC PROGRESS

The persistence of the economic inequalities between blacks and whites in the United States has led to a vigorous debate over the appropriate means of speeding up the progress blacks are making. Actually, black leaders have generally not set forth explicit and coherent strategies to guide their quest for economic improvement. Instead, along with most white liberals, for several decades they have looked to the federal government for laws and financial resources to improve the lot of black citizens. They turned to the federal government because they became convinced that neither the private sector nor state and local authorities

Table 5. Distribution of Family Income, by Race, 1984 (numbers in thousands; amounts in millions of dollars)

Income Class	Total				White				Black			
	Number	Mean Income	Aggregate Income Amount	Aggregate Income Percent	Number	Mean Income	Aggregate Income Amount	Aggregate Income Percent	Number	Mean Income	Aggregate Income Amount	Aggregate Income Percent
Lowest Fifth	12,541	7,295	91,516	4.7	10,880	8,268	89,952	5.1	1,356	3,658	4,960	3.7
Second Fifth	12,541	17,079	214,186	11.0	10,880	18,481	201,068	11.4	1,356	8,897	12,065	9.0
Middle Fifth	12,541	26,395	331,015	17.0	10,880	27,721	301,602	17.1	1,356	15,324	20,779	15.5
Fourth Fifth	12,541	37,884	475,104	24.4	10,880	39,231	426,830	24.2	1,356	24,617	33,380	24.9
Highest Fifth	12,541	66,608	835,326	42.9	10,880	68,410	744,305	42.2	1,356	46,366	62,872	46.9
Top 5 percent	3,135	99,376	311,544	16.0	2,720	101,805	276,910	15.7	339	65,643	22,253	16.6
All Families	62,706	31,052	1,947,147	100.0	54,400	32,422	1,763,757	100.0	6,778	19,778	134,056	100.0
Percent of Total	100.0	100.0	100.0	--	86.8	104.4	90.6	--	10.8	63.7	6.9	--

	Upper Income Limit of Each Fifth			Black as Percent	
				Total	White
Lowest Fifth	12,489	13,945	6,100	48.8	43.7
Second Fifth	21,709	23,120	11,755	54.1	50.8
Middle Fifth	31,500	32,851	19,091	60.6	58.1
Fourth Fifth	45,300	46,600	31,000	68.4	66.5
Top 5 percent (Lower Limit)	73,230	75,337	52,830	72.1	70.1

*Percentages for white and black families do not add to 100.0 because figures are not shown for other races that are included in the total.

Source: Calculated by Brimmer & Company, Inc. Data from U.S. Department of Commerce, Bureau of the Census, "Money Income and Poverty Status of Families and Persons in the United States: 1984," series p-60, No. 149, August 1985.

could be relied on to provide much assistance. For that reason, most traditional black leaders not only strongly supported antidiscrimination laws but also advocated increased federal government spending, especially on programs such as food stamps, public housing, welfare assistance, medicare, aid to education, manpower training, and public service jobs. They have also advocated affirmative action to erase the remaining vestiges of racial discrimination.

Many of those programs were part of the Great Society promoted by President Lyndon Johnson in the 1960s. They have also been among the chief targets of President Ronald Reagan's budget-cutters.

Over the last few years, however, a band of black conservatives has emerged as severe critics of the liberal economic and social policies advocated for so long by leaders of the civil rights movement. The most prominent of these new black voices belong to economists, but the group also includes businessmen and other black professionals.

Unfortunately, some of the key issues in the debate have been obscured by personal attacks and senseless arguments over who is middle class and who is not, who is best qualified to speak for blacks and who the false prophets are. But behind the recriminations lie genuine differences over the best way to improve the economic status of blacks in this country.

The black conservatives, sounding exactly like their white counterparts, say that blacks have become too dependent on federal government programs that they, the conservatives, disparage as handouts. The long list of public policies they oppose includes the minimum wage, rent controls, and affirmative action (which they condemn as setting job quotas for blacks). They urge blacks instead to look more to the private marketplace for jobs and income--and they aim their message particularly at young people, whose careers lie still ahead.

I agree with the black conservatives on this last point. For a number of years, I have stressed the need for blacks to avoid relying excessively on the federal government. Blacks must acquire marketable skills and must seek opportunities in the private sector. At the same time, there is a need for much more vigorous efforts within the business community to break down the remaining discriminatory obstacles that limit blacks' economic progress. There is also a crucial role for the federal government to play, especially by continuing its support for education and training.

In the meantime, a great deal still needs to be done, and there is room in the campaign for both liberals and conservatives, if they truly want to advance the economic well-being of those blacks who still live so close to the margin of existence.

6. ENDING BLACK DEPENDENCE ON THE PUBLIC SECTOR

The black community has come to depend much more heavily on the public sector than the white community has. For example, in the nation as a whole in 1983, blacks held 9.5 percent of all jobs, and their share of jobs in the private sector was 9.3 percent. But in the public sector, their share was 14.9 percent. Blacks accounted for 18.1 percent of all jobs in the federal government and 14.1 percent of all state and local government jobs. Furthermore, public-sector employment accounted for 23.9 percent of all the jobs held by blacks; for whites, the corresponding figure was 14.7 percent.

Blacks on public payrolls earn much higher incomes than they have traditionally earned in the private sector. Whites in public employment also earn more, but the favorable margin is smaller. For the average black male employee, a federal government position paid $15,174 in 1983, or 28.6 percent more than the $11,795 paid on the average private-sector job. But for the average white male worker, the margin was only 7.9 percent ($20,805 vs. $19,283). At the state and local government level, the average job also paid more than in the private sector. For the average black male worker, however, the difference was 13.6 percent, whereas for the average white male, the level of earnings was about equal in the two sectors.

For blacks, the financial advantage of public-sector employment is obvious. But more importantly, blacks have historically encountered less discrimination in the public sector than in the private job market. Moreover, when racial segregation was mandated by law in the South, many states ran what was essentially a parallel system of public services, and the services provided for blacks were frequently staffed by black public servants. This practice had the effect of throwing up a protective tariff behind which many black professionals found opportunities for employment.

When mandatory segregation was abolished, many of the public-sector jobs traditionally held by blacks disappeared. For example, the number of black public school administrators

declined markedly. At the same time, however, when black political power increased, especially after passage of the Voting Rights Act of 1965, blacks found new opportunities in public service. This occurred at the federal, state, and local levels of government.

But now the nation has clearly entered a new era in which the public sector will be shrinking rather than expanding in relation to the national economy. Given this prospect, it is also clear that, in the future, blacks will have to look mainly to the private sector for new jobs.

7. ARRESTING ECONOMIC DEPENDENCY

Another objective of the drive to improve blacks' economic condition should be to reduce dependency. In large part, this means reducing the extremely high incidence of poverty in the black community, particularly among households headed by women. Between 1978 and 1983, when the poverty rate in the United States was climbing each year, propelled upward by the deep recessions of the early 1980s, the increase in poverty among blacks was particularly large.

In 1984, when 11.6 percent of all families in the nation had incomes below the official poverty line (an income threshold of $10,609 for a family of four), the poverty rate among whites was 9.1 percent, but among blacks it was 30.9 percent. And of the 7,277,000 families that were poor in 1984, 21.1 percent of the total—or 1,533,000—were headed by black women.

The poverty rate among black families headed by women (no husband present) was 51.7 percent in 1984. Among white families headed by women, the rate was 27.1 percent. Those poor black families contained 5,151,000 persons, including 3,618,000 children under age 18. Thus, children under 18 composed 70 percent of all persons in those black households. White families headed by women with incomes below the poverty line contained 5,653,000 persons, 3,775,000 of whom (66.8 percent) were under 18.

Reflecting this high incidence of poverty, black families are heavily dependent on public welfare. In 1983 (the last year for which figures are available), the total amount that families in the United States received in public assistance and supplemental income was $15.9 billion. Black families constitued 36.1 percent of the total number of families receiving such aid, and payments to blacks amounted to $5.7 billion (35.9 percent) of the total. A

significant part of the public assistance was Aid to Families with Dependent Children. Many of those children now represent the third generation brought up on public welfare.

To arrest--and reverse--this cycle of poverty and dependency, the black community itself must make a more vigorous effort. This effort should include a campaign to reduce the extremely high birth rate among unmarried black teenage girls. A number of black women's groups are already engaged in that effort, but much more needs to be done.

8. REDUCING YOUTH UNEMPLOYMENT

Renewed efforts must also be made to reduce the excessively high level of unemployment among black youth. A necessary step toward achieving this goal is the establishment of a two-tier federal minimum wage, which would enable potential employers to put inexperienced young people on the payroll at wages that come close to their productivity.

Young people today are bearing an excessive share of the burden of unemployment. In February 1985, 8.4 million workers were unemployed in this country, and 1.5 million of them were teenagers. Young people make up 7.1 percent of the civilian labor force, but they account for 17.8 percent of those who are without jobs. Whereas the overall civilian unemployment rate in February was 7.3 percent, for teenagers as a group it was 18.4 percent.

Also in February, there were 904,000 black teenagers in the civilian labor force. Around 514,000 of them had jobs, and 390,000 were unemployed. The unemployment rate among black teenagers was 43.1 percent. In contrast, for white teenagers it was 15.2 percent. Thus, the black-total and black-white jobless ratios were 2.34 and 2.84, respectively.

One cannot say dogmatically that the minimum wage causes the excessive level of unemployment among teenagers. But the best evidence collected by economists indicates that the minimum wage is a contributing factor.

Although the fact is frequently overlooked, wages do affect employment. Wages are a cost--and often the most critical cost--in determining the production of goods and services and the prices at which these are sold. Increased wage costs have to be offset if the level of employment is to be maintained. And if a

business is to provide an extra job, the new employee, at a minimum, must produce enough to pay for himself or herself.

At the present level of $3.35, the federal minimum wage is just under 40 percent of the average wage paid in all of private industry. It is just over 33 percent of the average wage paid in factory jobs, but it is nearly 60 percent of the typical wage paid in retail trade and about 43 percent of the average in the service sector.

Roughly 5-1/2 million of the 103 million civilian workers in the United States are paid the minimum wage. Most of those workers undoubtedly earn what they are paid. Many private businesspeople, however, find that low-skilled employees often contribute barely enough to cover wages and the other costs of putting them on the payroll, and this is especially true for teenagers. Many newly hired teenagers are not able to produce enough to cover the minimum wage.

This should not surprise us. After all, as newcomers to the labor market, they have had no opportunity to acquire skills. We should also remember that most of us acquired whatever skills we have by on-the-job training. This is true even if we were college graduates who came with a degree but little practical experience. Among teenagers, moreover, the problem is often compounded by poor education. Many of them come out of high school with little command of the basic skills needed for communication. Too many teenagers, having attended poor schools, find it difficult to read, write, and figure at the level required for the average job in commerce and industry.

Many of the people who oppose a differential wage for young people claim that a minimum wage for youth would lead to the displacement of adult workers. It is said that a two-tier minimum wage would have a particularly negative impact on working mothers, female heads of household, and unskilled adult minority workers. The other side of the story, however, is that a lower minimum wage would make it possible for thousands of young persons to enter the work force and obtain job experience. Most young unskilled workers do not produce enough to justify an employer's paying them the present statutory wage, but if a youth wage were adopted, teenagers could be hired for many jobs where they would be productive—at that lower wage. Such jobs are found at flower shops, food stores, bakeries, and many service establishments. An opportunity to work is far more important than the kind of work or the starting pay. After all, before a minimum wage can become a living wage, the person who is to receive it must first get a job—any job. No matter how high the minimum wage is set, the person who has no job will earn no income at all.

In summary, although the effect of the prevailing minimum wage on employment is still disputed, the best evidence accumulated by the most competent economists in the country points in one direction: because of the present federal minimum wage, fewer jobs are available for teenagers. Everyone truly concerned about improving the economic position of young people should therefore favor a lower minimum wage for teenagers. Congress is expected to take up in the near future a Reagan administration proposal for a first-tier minimum wage for teenagers. That proposal ought to be supported.

9. CAMPAIGNING FOR AFFIRMATIVE ACTION AND ECONOMIC OPPORTUNITY

Affirmative action to promote equal employment oportunities for blacks and members of other minority groups is no longer a basic policy of the federal government. Yet, such action is still needed. This means that blacks themselves will have to press the fight in the private sector.

The Reagan administration says it is committed to upholding the law and to defending the civil rights of all Americans--including blacks. The administration also says that it will fight discrimination in the job market and will urge private businesses to expand employment opportunities for those on the margin of the economy. But at the same time, Reagan officials have put aside some of the best tools they inherited to achieve those aims. They have declared themselves to be against quotas, numerical goals, and specific timetables for the hiring of blacks and other minority groups who are still poorly represented on the payrolls of many private firms in this country.

The U.S. Civil Rights Commission, which for 25 years was in the forefront of the campaign for racial equality, has been revamped and turned into a bulwark against affirmative action. The key federal agencies responsible for enforcing the laws and regulations that encourage equal job opportunity have been scaled down. Their budgets and staffs have been cut, and their mandates have been restricted. For example, the Office of Federal Contract Compliance Programs in the Labor Department has been downgraded; moreover, companies doing business with the federal government no longer have to demonstrate definitive progress in the actual hiring of minority workers. Instead, they have to show only that a sincere effort is being made to recruit them.

The Equal Employment Opportunity Commission (EEOC) is still filing antidiscrimination cases, but it appears to be interpreting its mandate in a more limited way than before. Moreover, EEOC and other agencies concerned with equal job opportunity have to operate within the overall policy set by the White House, and that policy is clear: the Reagan administration forcefully opposes affirmative action to promote equal job opportunity. Instead, the administration is relying mainly on the good will and commitment of the private sector to provide jobs and occupational mobility.

This means that blacks will have to lead the fight themselves. They will have to make every company personnel office a battle station in the campaign to accelerate the pace of economic progress.

10. INVESTING IN HUMAN CAPITAL: EXPENDITURES FOR EDUCATION

Looking ahead, one sees clearly that the economic environment now taking shape will bring both opportunities and challenges to black Americans. The fastest-growing occupations are those rooted in science and technology, with a heavy reliance on computers and their applications. Traditionally, however, blacks have been seriously underrepresented in those areas, which require high levels of education. Therefore, if blacks are to get a share of the new jobs commensurate with their increased share of the labor force, they will have to increase dramatically their level of spending on education. In other words, from their own resources--which are admittedly limited--blacks will have to invest more directly in the development of their children's intellectual capacities and in the acquisition of marketable skills.

The magnitude of the effort that will be required of individuals is illustrated by data both on the family income of college students and on the parents' financial contribution to college costs, by race, in 1982. The average income of black families with children in college was $18,200; the average for whites was $28,900. Thus, the family income of black college students was 63.0 percent of that reported for white college students. The average contribution of black families to their children's education was $930, and the average contribution of white families was $2,790. Thus, the average black family contributed about 5.1 percent of the family's income toward a child's college education, whereas the average white family contributed 9.7 percent.

Expressed in different terms, blacks had an income that was just over three-fifths the income of white families, but the amount blacks contributed toward the college education of their children was only one-third as large as the amount contributed by their white counterparts. Again, if blacks want to be able to compete successfully in the marketplace in the years ahead, they will have to invest much more of their income in educating their children.

In the meantime, blacks can—and should—demand more educational benefits from public spending on education (at the federal, state, and local levels). In the immediate future, blacks should support Congress in its struggle to save much of the federal aid for college students that the Reagan administration wants to cut or eliminate. If the Reagan administration has its way, several million college students will lose the federal educational benefits they are now getting, and a large proportion of those students will be black.

The proposals put before Congress by President Reagan would limit total annual federal aid per student to $4,000. Eligibility would be restricted to students from families whose adjusted gross family income is $25,000 or less, and eligibility for Guaranteed Student Loans would be limited to students from families whose incomes are no greater than $32,500. A number of other restrictive features have also been proposed. If Congress were to adopt all of them, a substantial fraction of the students now receiving benefits would receive them no longer. As a result, millions of students would no longer be able to hope for a college education.

The aid program of greatest benefit to blacks and other students from low-income families is called the Pell Grants. Over 2.8 million students are now receiving such grants, with blacks accounting for a large fraction of the total. The number of Pell Grants is projected to drop to 2.0 million in 1986-1987--a 29 percent reduction. The federal budget for 1984-1985 provides $3.3 billion to fund the program, but the proposed budget for 1985-86 would cut funds for Pell Grants by $631 million--a 19 percent reduction. The average grant runs just over $1,100 per student, but the average for the typical black student is somewhat higher (about $1,200). This amount pays more than one-quarter of a year's college costs. On a typical black college campus, roughly 90 percent of the student body receives Pell Grants or other forms of federal assistance. If the proposed cuts were to go through, black college enrollment would shrink drastically.

Under the College Work-Study program, about 737,284 students earn an average of $880 per year to help pay their educational expenses. In 1984-1985, about $693 million has been allocated for the program. The Reagan administration also wants to eliminate the Supplemental Educational Opportunity Grant program and create a combined College Work-Study / Grant program under which institutions could elect to use a portion of the funds for grants. The 1985-1986 proposal of $994 million for this program is down 9 percent from the combined total of the two separate programs in 1984-1985.

Thus far Congress has not adopted the president's proposals with respect to college student aid. Although some support for cuts is building up, Congress has also shown sensitivity to pressure from constituents who want to maintain a fairly high level of federal aid for college education. Thus, blacks and others who appreciate the value of this support for education still have an opportunity to make themselves heard.

11. SUMMARY

The 1981-1982 recession had a disproportionately negative impact on blacks, but in the subsequent two years, blacks shared substantially in the expansion of the American economy. The rate at which blacks participated in the labor force increased; they got a larger share of the new jobs created; and the level of black unemployment decreased.

Yet, despite blacks' relative improvement in the labor market, the gap between their share of the labor force and their share of employment remains large—on the order of 1.0 million positions. With respect to income, the picture is somewhat brighter. Although the two recessions in the early 1980s dampened income growth more among blacks than among whites, the subsequent two years of economic expansion boosted black income proportionately more.

Median family income--a more commonly used measure—shows that the relative position of blacks deteriorated more during the last decade and improved less in recent years. However, this overall figure fails to reflect the considerable improvement achieved by better prepared black families, and it is heavily influenced by the experience of the black families who are stagnating at the lower end of the income scale, particularly families headed by black women.

Although the relative income of blacks as a group has moderately improved, the gains have not extended throughout the community. Therefore, although the income gap between blacks and whites has somewhat narrowed, the income gap within the black community has widened.

Historically, blacks have been far more dependent on the public sector than have whites. However, since the role of the federal government is now shrinking, blacks will have to compete for a larger share of the jobs in the private sector.

For genuine economic progress to be achieved, the extremely high incidence of poverty among blacks will have to be reduced. This is particularly the case among black female-headed families. Many of the poor black female-headed households contain children who now represent the third generation brought up on public welfare. To arrest (and reverse) this cycle of poverty and dependency, a more vigorous effort must be made to reduce the extremely high birth rate among unmarried black teenage girls.

Renewed efforts must also be made to reduce the high unemployment rate among black teenagers. A key to achieving this goal is a two-tier federal minimum wage.

Another area in which efforts are needed is affirmative action to promote equal employment opportunity for blacks and others who have historically suffered from discrimination. Affirmative action is no longer the policy of the federal government; in fact, the Reagan administration is engaged in a campaign of active opposition. Yet, affirmative action continues to be needed.

In the years ahead, blacks will have a better chance to compete for the new jobs that will be created. However, successful competition will require much better preparation. If blacks are to get a share of the new jobs commensurate with their increased share of the labor force, they will have to increase dramatically their level of spending on the education of their children.

In the immediate future, blacks should support the effort being made in Congress to prevent the Reagan administration from drastically cutting federal aid to college students. Since increases in college education among blacks have been a major contributor to the modest economic progress blacks have made, a continuation of federal aid is needed if that progress is to be sustained.

APPENDIX

Basic Data on Civilian Labor Force, Employment, and Unemployment

Table A-1. Levels and Changes in Civilian Labor Force, Employment, and Unemployment, by Race, December 1979 - December 1982 (numbers in thousands)

Category	December 1979		December 1982		Change 1979-1982		
	Number	Percent of Total	Number	Percent of Total	Number	Percent	Percent Distribution
Total							
Civilian labor force	106,258	100.0	110,953	100.0	4,695	4.4	100.0
Employment	99,933	100.0	99,062	100.0	- 871	0.9	100.0
Unemployment	6,325	100.0	11,891	100.0	5,566	88.0	100.0
Unemployment rate	6.0%	100.0	10.7%	100.0	+ 4.7%	--	--
White							
Civilian labor force	93,128	87.6	96,592	87.1	3,464	3.7	73.8
Employment	88,270	88.3	87,365	88.2	- 905	1.0	103.9
Unemployment	4,858	76.8	9,227	77.6	4,369	89.9	78.5
Unemployment rate	5.2%	86.7	9.6%	89.7	+ 4.4%	--	--
Black							
Civilian labor force	10,762	10.1	11,568	10.4	806	7.5	17.2
Employment	9,447	9.5	9,156	9.2	- 291	- 3.1	33.4
Unemployment	1,315	20.8	2,412	20.3	1,097	83.4	19.7
Unemployment rate	12.2%	203.3	20.9%	195.3	+ 8.7%	--	--

Source: Calculations by Brimmer & Company, Inc. Data from U.S. Department of Labor, Bureau of Labor Statistics.

Table A-2. Civilian Labor Force, Employment, and Unemployment, by Race, Sex, and Age, December 1982 (numbers in thousands)

Category	Total		Whites			Blacks			Other Races		
	Number	Percent Dist.	Number	Percent Dist.	Percent of Total	Number	Percent Dist.	Percent of Total	Number	Percent Dist.	Percent of Total
Civilian Labor Force											
Total	110,953	100.0	96,592	100.0	87.1	11,568	100.0	10.4	2,793	100.0	2.5
Teenagers (age 16-19)	8,357	7.5	7,333	7.6	87.7	836	7.2	10.0	188	6.7	2.3
Men (20 and over)	58,343	52.6	51,350	53.2	88.0	5,489	47.5	9.4	1,504	53.8	2.6
Women (20 and over)	44,253	39.9	37,909	39.2	85.7	5,243	45.3	11.8	1,101	39.5	2.5
Employment											
Total	99,062	100.0	87,365	100.0	88.2	9,156	100.0	9.2	2,541	100.0	2.6
Teenagers (age 16-19)	6,342	6.4	5,758	6.6	90.8	432	4.7	6.8	152	6.0	2.4
Men (20 and over)	52,531	53.0	46,825	53.6	89.1	4,355	47.6	8.3	1,351	53.2	2.6
Women (20 and over)	40,189	40.6	34,782	39.8	86.5	4,369	47.7	10.9	1,038	40.8	2.6
Unemployment											
Total	11,891	100.0	9,227	100.0	77.6	2,412	100.0	20.3	252	100.0	2.1
Teenagers (age 16-19)	2,015	16.9	1,575	17.1	78.2	404	16.8	20.0	36	14.3	1.8
Men (20 and over)	5,812	48.9	4,525	49.0	77.9	1,134	47.0	19.5	153	60.7	2.6
Women (20 and over)	4,064	34.2	3,127	33.9	76.9	874	36.2	21.5	63	25.0	1.6
Unemployment Rate											
Total	10.7%		9.6%			20.9%			9.0%		
Teenagers (age 16-19)	24.1		21.5			48.3			19.1		
Men (20 and over)	10.0		8.8			20.7			10.2		
Women (20 and over)	9.2		8.2			16.7			5.7		

Source: Calculations by Brimmer & Company, Inc. Data from U.S. Department of Labor, Bureau of Labor Statistics.

Table A-3. Civilian Labor Force, Employment, and Unemployment, by Race, Sex, and Age, December 1984 (numbers in thousands)

Category	Total		Whites			Blacks			Other Races		
	Number	Percent Dist.	Number	Percent Dist.	Percent of Total	Number	Percent Dist.	Percent of Total	Number	Percent Dist.	Percent of Total
Civilian Labor Force											
Total	114,464	100.0	99,005	100.0	86.5	12,306	100.0	10.8	3,153	100.0	2.7
Teenagers (age 16-19)	7,870	6.9	6,876	6.9	87.4	841	6.8	10.7	153	4.9	1.9
Men (20 and over)	60,131	52.5	52,695	53.3	87.6	5,762	46.8	9.6	1,674	53.1	2.8
Women (20 and over)	46,463	40.6	39,434	39.8	84.9	5,703	46.4	12.3	1,326	42.0	2.8
Employment											
Total	106,273	100.0	92,884	100.0	87.4	10,462	100.0	9.8	2,927	100.0	2.8
Teenagers (age 16-19)	6,390	6.0	5,785	6.2	90.5	487	4.7	7.6	118	4.0	1.9
Men (20 and over)	56,372	53.1	49,840	53.7	88.4	4,998	47.8	8.9	1,534	52.4	2.7
Women (20 and over)	43,511	40.9	37,259	40.1	85.7	4,977	47.5	11.4	1,275	43.6	2.9
Unemployment											
Total	8,191	100.0	6,121	100.0	74.7	1,844	100.0	22.5	226	100.0	2.8
Teenagers (age 16-19)	1,480	18.1	1,091	17.8	73.7	354	19.2	23.9	35	15.5	2.4
Men (20 and over)	3,759	45.9	2,855	46.7	76.0	764	41.4	20.3	140	61.9	3.7
Women (20 and over)	2,952	36.0	2,175	35.5	73.7	726	39.4	24.6	51	22.6	1.7
Unemployment Rate											
Total	7.2%		6.2%			15.0%			7.2%		
Teenagers (age 16-19)	18.8		15.9			13.3			22.9		
Men (20 and over)	6.3		5.4			12.7			8.4		
Women (20 and over)	6.4		5.5			42.1			3.8		

Source: Calculations by Brimmer & Company, Inc. Data from U.S. Department of Labor, Bureau of Labor Statistics.

Table A-4. Changes in Civilian Labor Force, Employment, and Unemployment, by Race, Sex, and Age, December 1982 - December 1984 (numbers in thousands)

Category	Total		Whites			Blacks			Other Races		
	Number	Percent Change	Number	Percent Change	Share of Change	Number	Percent Change	Share of Change	Number	Percent Change	Share of Change
Civilian Labor Force											
Total	3,511	3.2	2,413	2.5	68.7	738	6.4	21.0	360	12.9	10.3
Teenagers (age 16-19)	- 487	- 5.8	- 475	- 6.2	93.8	5	0.6	- 1.0	- 35	-18.6	7.2
Men (20 and over)	1,788	3.1	1,345	2.6	75.2	273	5.0	15.3	170	11.3	9.5
Women (20 and over)	2,210	5.0	1,525	4.0	69.0	460	8.8	20.8	225	20.4	10.2
Employment											
Total	7,211	7.3	5,519	6.3	76.5	1,306	14.3	18.1	386	15.2	5.4
Teenagers (age 16-19)	48	0.8	27	0.5	56.3	55	12.7	114.6	- 34	-22.4	-70.9
Men (20 and over)	3,841	7.3	3,015	6.4	78.5	643	14.8	16.7	183	13.5	4.8
Women (20 and over)	3,322	8.3	2,477	7.1	74.6	608	13.9	18.3	237	22.8	7.1
Unemployment											
Total	-3,700	-31.1	-3,106	-33.7	83.9	-568	-23.5	15.4	- 26	-10.3	0.7
Teenagers (age 16-19)	- 535	-26.6	- 484	-30.7	90.5	- 50	-12.4	9.3	- 1	- 2.8	0.2
Men (20 and over)	-2,053	-35.3	-1,670	-39.3	81.3	-370	-32.6	18.1	- 13	- 8.5	0.6
Women (20 and over)	-1,112	-27.4	- 952	-30.4	85.6	-148	-16.9	13.3	- 12	-19.5	1.1

Source: Calculations by Brimmer & Company, Inc. Data from U.S. Department of Labor, Bureau of Labor Statistics.

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Dr. Andrew Brimmer is president of Brimmer & Company, Inc., an economic and financial consulting firm based in Washington, D.C. He is also a former member of the Board of Governors of the Federal Reserve System.

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